

Getting serious on roads reform is one way our political leaders can get back on track

Written by Michael de Percy, Senior Lecturer in Political Science, University of Canberra



The majority of working Australians drive to and from work. AAP/Dan Himbrechts

Structural economic reform is hardly the stuff of epic election campaigns. But tax reform, including some form of road user charging, [is well overdue](#) for Australia.

Road user charging will involve a shake-up of all road-related revenues and how we pay for and use our roads and transport infrastructure. This will require federal leadership and the agreement of the states and territories. The Commonwealth's fuel excise and the states' and territories' car registration fees will be affected.

Further reading: [Road user charging belongs on the political agenda as the best answer for congestion management](#)

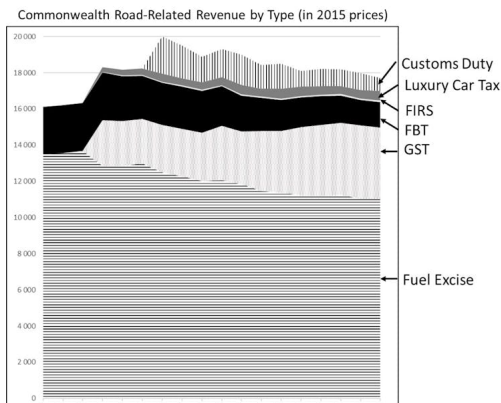
The road to reform

The Commonwealth's fuel excise [is obsolete](#). Despite [the reintroduction](#) of indexation, the fuel excise revenue base is steadily declining and will eventually disappear.

Fuel excise is obsolete because fuel-efficient and electric vehicles use less fuel. It is also unfair, because people who can afford the latest [Tesla cars](#) will [pay nothing](#) in fuel excise. And it does not signal market demand for, or go directly back into, building and maintaining transport infrastructure.

Getting serious on roads reform is one way our political leaders can get back on track

Written by Michael de Percy, Senior Lecturer in Political Science, University of Canberra



make things worse. [Road pricing is long overdue and it's happening elsewhere](#). But it's as big as the GST, and it could prove to be [unpalatable](#).

Why it's been difficult to achieve

The reality is that roads are the “[least reformed of all infrastructure sectors](#)”. And roads, [according to competition expert Ian Harper](#), are the:

... only example of an infrastructure asset, where the government owns the great bulk of the asset, funded through the tax system and given away for nothing.

So, why is road reform so hard?

Road pricing is [long overdue](#) and it's [happening elsewhere](#). But it's as big as the GST, and it could prove to be [unpalatable](#).

Truckies already pay for their use of the roads, and moves are afoot to [increase the charges](#) to more accurately cover the cost of the damage trucks do to the roads.

This is supported by the [railways](#), which have effectively cross-subsidised trucks ever since the [truckies stopped cross-subsidising them](#). But politicians are reluctant to tackle road pricing for private cars because motorists [don't like the idea](#).

Getting serious on roads reform is one way our political leaders can get back on track

Written by Michael de Percy, Senior Lecturer in Political Science, University of Canberra

Further reading: [*Trucks are destroying our roads and not picking up the repair cost*](#)

There has at least been some movement. Urban Infrastructure Minister Paul Fletcher [announced](#) in 2016 that an eminent Australian will conduct a study into the impact of road user charging for light vehicles.

What reform did for Hawke and Howard

The recent [Democracy100 event](#) at Old Parliament House was held in response to mounting dismay at the state of today's politics. Speaking at the event, former prime ministers [Bob Hawke and John Howard](#) recommended a bipartisan approach. Focusing on key reforms to "rejuvenate the economy", like roads reform, would do the trick.

While that may sound uninspiring, Howard observed that public esteem for politicians "has fallen in a time when there's not been major reform".

Howard and Hawke are two of the top three longest-serving [prime ministers](#) in Australian history. Both are living proof that major reform agendas can win elections. Howard oversaw the introduction of the "[never-ever](#)" GST; Hawke set the stage by undoing protectionism and dragging Australia into a global market economy.

And what do we have to lose? It's clear self-centred professional politics isn't working.

Australians expect parliament to do the hard work of reform, instead of playing [dress-up](#) and acting for the cameras. And history shows voters reward that hard work with electoral success.

Getting serious on roads reform is one way our political leaders can get back on track

Written by Michael de Percy, Senior Lecturer in Political Science, University of Canberra

Michael de Percy is an Academic Fellow of the Institute for Governance and Policy Analysis (IGPA), which was involved in the organisation of the Democracy100 event. IGPA resources some of Michael's work as a researcher at the University of Canberra. He is also a Chartered Member of the Chartered Institute of Logistics and Transport - Australia, but has no official role with the organisation beyond his professional membership.

Authors: Michael de Percy, Senior Lecturer in Political Science, University of Canberra

Read more <http://theconversation.com/getting-serious-on-roads-reform-is-one-way-our-political-leaders-can-get-back-on-track-82750>